

Department of Education
FREE COMMUNITY COLLEGE
Fiscal Year 2022 Budget Proposal
CONTENTS

	<u>Page</u>
Summary of Request	S-1
Activities:	
Free Community College.....	S-2
Advancing Affordability for Students.....	S-4

FREE COMMUNITY COLLEGE

[Click here for accessible version](#)

DEPARTMENT OF EDUCATION FISCAL YEAR 2022 PRESIDENT'S BUDGET
(in thousands of dollars)

	Cat Code	2020 Appropriation	2021 Appropriation	2022 Request	2022 Request Compared to 2021 Appropriation	
					Amount	Percent
<i>Free Community College</i>						
1. Free Community College (proposed legislation)	M	0	0	14,312,447	14,312,447	---
2. Institutional Aid to Improve Affordability (proposed legislation)	M	0	0	4,640,778	4,640,778	---
Total	M	0	0	18,953,225	18,953,225	---

NOTES: D = discretionary program; M = mandatory program
Detail may not add to totals due to rounding.

FREE COMMUNITY COLLEGE

Free Community College

(Proposed legislation)

(dollars in thousands)

FY 2022 Authorization: To be determined

Mandatory Budget Authority:

	<u>2021</u>	<u>2022</u>	Change from <u>2021 to 2022</u>
	\$0	\$14,312,447	+\$14,312,447

PROGRAM DESCRIPTION

Early in the 20th century, the expansion of access to free public high school in the United States set a new global standard. Direct public investment in our children’s future propelled U.S. economic growth and enhanced our global competitiveness. Now, mounting evidence suggests that 13 years of school is no longer sufficient to prepare our students for success in today’s economy. Research tells us that we must invest early to support our children’s development and readiness for academic success; our transforming economy requires that we provide every student the opportunity to obtain a postsecondary degree or certificate. The number of jobs requiring some level of higher education is expected to grow more rapidly in the next decade than those that do not.

The Administration’s Free Community College plan will offer two years of free community college to students, including DREAMers. The COVID-19 crisis has led to a steep college enrollment decline, particularly for low-income students and students of color. From 2019 to 2020, public 2-year community colleges saw a 10.1 percent decline in enrollment. But even before the COVID-19 pandemic, cost remained a barrier to attending and completing community college for many Americans.

Free Community College is a proposed mandatory grant program for States, territories, and Tribes to make community colleges free for eligible students. This proposal will ensure that first-time students and workers wanting to reskill can enroll in a community college to earn a degree or credential for free. Students enrolled in a degree or certificate program, attending at least half-time, and making satisfactory academic progress will have tuition and fees eliminated. Students can use the benefit over three years and, if circumstances warrant, up to four years, with the recognition that many students’ lives and other responsibilities can make full-time enrollment difficult.

This proposal would create a new partnership with States to help them waive tuition for students, while promoting key reforms to help more students complete at least two years of college and help meet the demands of a growing global economy. To participate in the program, a State (including territories) or Tribe must waive tuition and fees at community

FREE COMMUNITY COLLEGE

colleges on a first dollar basis for eligible students. The federal government will provide at least 75 percent of the cost, and 90 percent for Tribes. States and Tribes must invest the remaining share of the cost. States receiving a grant must promote alignment between their secondary, 2-year, and 4-year postsecondary education systems. States must also pursue promising and evidence-based institutional reforms at community colleges to improve student outcomes.

FY 2022 BUDGET REQUEST

For fiscal year 2022, the Administration requests \$14.3 billion in mandatory budget authority to support Free Community College. The proposal would cost \$108.5 billion in mandatory outlays over 10 years. This investment is part of the President's American Families Plan to expand access to affordable postsecondary education, laying the groundwork for innovation and inclusive economic growth for all Americans. Funds are provided to create a new partnership with States, territories, and Tribes to make two years of community college free for first-time students and workers wanting to reskill. The program would operate as a first-dollar program, in order to allow students to use Pell Grants and other federal, State, and institutional aid to help them cover expenses beyond tuition and fees. Students can use the benefit over three years and, if circumstances warrant, up to four years, recognizing that many students' lives and other responsibilities can make full-time enrollment difficult. If all States, territories, and Tribes participate, about 5.5 million students would pay \$0 in tuition and fees.

PROGRAM PERFORMANCE INFORMATION

This section presents selected program performance information, including, for example, GPRA goals, objectives, measures, and performance targets and data; and an assessment of the progress made toward achieving program results. Achievement of results is based on the cumulative effect of the resources provided in previous years and those requested in fiscal year 2022 and future years, as well as the resources and efforts invested by those served by this program. Free Community College has not yet been funded and therefore program performance information is not available.

FREE COMMUNITY COLLEGE

Advancing Affordability for Students

(Proposed legislation)

(dollars in thousands)

FY 2022 Authorization: To be determined

Mandatory Budget Authority:

	<u>2021</u>	<u>2022</u>	<u>Change from 2021 to 2022</u>
	\$0	\$4,640,778	\$4,640,778

PROGRAM DESCRIPTION

Historically Black Colleges and Universities (HBCUs), Tribal Colleges and Universities (TCCUs), and Minority-Serving Institutions (MSIs) such as Hispanic-serving institutions (HSIs) and Asian American and Native American Pacific Islander-serving institutions (AANAPISIs) play a unique role in creating and advancing educational opportunities for many of our nation’s first-generation, low-income, and underrepresented students. Their role is essential to building our economy and strengthening the American middle class. The Administration’s Advancing Affordability for Students program will make a historic investment in HBCU, TCCU, and MSI affordability. Specifically, it will provide two years of subsidized tuition for students from families earning less than \$125,000 enrolled in a 4-year HBCU, TCCU, or MSI. Institutions that apply will receive an annual grant based on the cost of reducing tuition and fees and the number of eligible students. This investment will encourage more students to successfully complete a bachelor’s degree by enrolling as new students (direct pathways) or transferring from community college (transfer pathways).

Public and private 4-year institutions can participate in this program. To be eligible, an institution must meet the statutory definition of an HBCU, TCCU, and MSI and must be designated by the Secretary as such. An eligible institution would also need to serve a significant share of Pell students (at least 35 percent share of enrollment) and commit to maintaining or adopting evidence-based institutional reforms designed to improve student outcomes.

Eligible students are those who are enrolled at an eligible HBCU, TCCU, or MSI on at least a half-time basis, who maintain satisfactory academic progress, and who have an annual family income below \$125,000, including DREAMers.

FY 2022 BUDGET REQUEST

For fiscal year 2022, the Administration requests \$4.6 billion in mandatory budget authority to support Advancing Affordability for Students. The proposal would cost \$39 billion in mandatory outlays over 10 years. This investment is part of the President’s American Families Plan to expand access to affordable postsecondary education, laying the groundwork for innovation and

FREE COMMUNITY COLLEGE

inclusive economic growth for all Americans. Funds are provided to eligible 4-year HBCUs, TCUs, or MSIs to provide two years of subsidized tuition for students from families earning less than \$125,000. The program would operate as a first-dollar program, in order to allow students to use Pell Grants and other federal, State, and institutional aid to help them cover expenses beyond tuition and fees.

PROGRAM PERFORMANCE INFORMATION

This section presents selected program performance information, including, for example, GPRA goals, objectives, measures, and performance targets and data; and an assessment of the progress made toward achieving program results. Achievement of results is based on the cumulative effect of the resources provided in previous years and those requested in fiscal year 2022 and future years, as well as the resources and efforts invested by those served by this program. Advancing Affordability for Students has not yet been funded and therefore program performance information is not available.